

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 IO-13 ISO-00 FEA-01 AGRE-00 CEA-01

CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05 SS-15

STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

/100 W

-----260728Z 107248 /11

R 251633Z MAR 77

FM USMISSION GENEVA

TO SECSTATE WASHDC 6213

INFO AMEMBASSY BUDAPEST

MEMBASSY BUCHAREST 791

AMEMBASSY PRAGUE

AMEMBASSY WARSAW

USMISSION EC BRUSSELS

C O N F I D E N T I A L GENEVA 2293

E.O. 11652: XGDS-1

TAGS: GATT, ETRD, EEWT, PL

SUBJECT: GATT WP ON TRADE WITH POLAND

REF: A. STATE 62574; B. STATE 59180

BEGIN SUMMARY. WP AGAIN FAILED ESTABLISH TERMINAL DATE FOR ELIMINATION DISCRIMINATORY QR'S AGAINST POLAND. GATT EXAMINATION OF POLISH TARIFF MAY OCCUR THIS YEAR.

USSR APPARENTLY BALKING AT PAYINT TARIFF. POLAND FAILED TO PROVIDE WP WITH OFFICIAL TEXTS OR CLEAR STATEMENTS ON WORKINGS THEIR FOREIGN TRADE REGIME. END SUMMARY.

1. DURING MARCH 23-25 GATT WORKING PARTY ON TRADE WITH POLAND, POLISH DEL LAMENTED SEEMINGLY ENDLESS TRANSITION PERIOD FOR MAINTAENANCE OF DISCRIMINATORY QR'S AGAINST POLISH TRADE. SUPPORTED BY U.S., CANADA, JAPAN, AUSTRALIA, CZECHOSLOVAKIA, AUSTRIA, AND HUNGARY, POLAND ASKED WP TO ESTABLISH
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FIRM DATE FOR TERMINATION TRANSITION PERIOD.

2. EC, INDIRECTLY SUPPORTED BY NORDICS, REFUSED TO AGREE. EC SAID QR'S NEEDED BECAUSE OF HIGH UNEMPLOYMENT AND BECAUSE POLISH FIRMS "SELL AT ANY OLD PRICE"; SAID EC GETTING MANY COMPLAINTS FROM THEIR INDUSTRIES RE UNDER-PRICED POLISH GOODS. EC NOTED THAT U.S., CANADA,

JAPAN WERE QUICK TO CALL FOR ELIMINATION OF EC QUOTAS, YET THERE HAD BEEN LITTLE OR NO INCREASE IN CANADIAN AND JAPANESE IMPORTS FROM POLAND AND "SOME" IN U.S. EC SAID TRADE CROSSING OCEAN DISTANCES WAS DIFFERENT PHENOMENON FROM THAT FACING THE COMMUNITY.

3. U.S., CANADA, JAPAN, OTHERS SAID EXISTING SAFEGUARD PROCEDURES IN POLISH ACCESSION PROTOCOL AND IN ARTICLE XIX SHOULD BE SUFFICIENT. AUSTRIA ANNOUNCED ELIMINATION OF ALL DISCRIMINATORY QR'S AGAINST POLAND AS OF JANUARY 1975. SWEDEN, NORWAY, FINLAND SAID ONLY "CORE" QR'S REMAINED FOR SUCH SENSITIVE INDUSTRIES AS TEXTILES AND FOOTWEAR.

4. TARIFF. POLAND SAID TARIFF HAD BEEN INTRODUCED AND WAS NOW AN IMPORTANT ELEMENT IN POLISH TRADING REGIME. SAID A SPECIAL WORKING PARTY EXAMINATION OF TARIFF WOULD BE APPROPRIATE BUT ASKED ADDITIONAL TIME TO GAIN EXPERIENCE WITH TARIFF FIRST. EC QUESTIONED WHETHER TARIFF HAD ANY REAL ROLE IN POLISH TRADE DECISIONS. U.S. WELCOMED POLAND'S "STATED GOAL" OF MAKING THE TARIFF AS ASSUME AN ACTIVE TRADE POLICY ROLE BUT SAID WE WOULD RESERVE OUR DETAILED COMMENTS UNTIL SUCH TIME AS TARIFF ITSELF IS SUBJECT OF GATT EXAMINATION. WE MADE CLEAR THAT U.S. IS NOT PRESSING FOR EARLY EXAMINATION. POLAND SAID TARIFF WAS NON-DISCRIMINATORY BUT REFUSED AGREE TO WORDING IN WP REPORT STATING THAT IT APPLIED TO ALL COUNTRIES. (POLISH DEL STATED PRIVATELY THAT THIS WAS BECAUSE USSR WAS BALKING AT PAYMENT OF TARIFF.) WE CONFIDENTIAL

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LATER ASKED POLISH DEL WHEN THEY PROPOSED TO SEEK GATT WP EXAMINATION OF TARIFF, REPEATING THAT U.S. WAS IN NO HURRY. THEY RESPONDED THAT POLAND MIGHT WISH TO SEEK ESTABLISHMENT OF WP "THIS YEAR".

5. POLISH IMPORT POLICY. U.S. SAID WE UNDERSTOOD IMPORT PROCEDURES HAD BEEN TIGHTENED DURING 1976 AND THAT FOREIGN TRADE ORGANIZATIONS WERE NOW REQUIRED TO GAIN PERMISSION FROM HIGHER AUTHORITIES BEFORE EACH IMPORT TRANSACTION. SAID WP SHOULD REALLY TRADE REGULATIONS IN ORDER TO OBJECTIVELY EVALUATE POLISH POLICIES. POLES RESPONDED THAT FTO'S MUST GAIN IMPORT PERMISSION IN ORDER TO FACILITATE THE RATIONING OF SCARCE FOREIGN EXCHANGE AND TO FOLLOW THE ECONOMIC PLAN. U.S. MADE CLEAR THAT GATT ARTICLE X REQUIRED ALL REGULATIONS AND PROCEDURES FOR CONDUCT OF FOREIGN TRADE TO BE PUBLISHED.

7. POLAND TOLD WP THAT DURING TARIFF WP THEY WOULD PRO-

VICE FULL DETAILS ON THE POLISH TRADING REGIME
IN ITS ENTIRITY. UPON SEEING THESE WORDS REPRODUCED IN
DRAFT WP REPORT, HOWEVER, POLISH DEL CHANGED THE PRESEN-
TATION TO READ THAT THEY WOULD AGREE TO TARIFF EXAMINA-
TION ALONG WITH "OTHER ELEMENTS" OF THE ECONOMIC SYSTEM.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TARIFF DISCRIMINATION, IMPORT QUOTAS
Control Number: n/a
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Sent Date: 25-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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TAGS: ETRD, EEWT, PL, US, GATT
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